



Artisan Value Income Fund

MONTHLY
Commentary

Investor Class: APFWX | Advisor Class: APDWX

As of 31 October 2022

Commentary

Top month-to-date contributors: EOG Resources Inc; Altria Group Inc; Moelis & Co; nVent Electric PLC; Merck & Co Inc

Bottom month-to-date contributors: Koninklijke Philips NV; Cohen & Steers Inc; Air Lease Corp; H&R Block Inc; Camden Property Trust

In this space, we discuss one top contributor (nVent Electric) and one bottom contributor (Cohen & Steers) from the recent month.

nVent Electric provides electrical connections and protection solutions. These are mission-critical elements in commercial electrical and mechanical systems and civil infrastructure. Spun out of Pentair in 2018, the company has navigated a turbulent first few years as a stand-alone public company, beginning with COVID-19, followed by a super recovery, supply chain chaos, inflation and a European land war, and it has passed each of these tests with flying colors. Though ongoing supply chain challenges have presented substantial operational headwinds, organic revenue growth has been 20% or greater in six consecutive quarters. The growth has come from a combination of volumes and pricing, with the company being able to successfully offset inflation with pricing. Due to the low cost of its products relative to a project and high failure costs for customers, nVent has good pricing power and sustainable margins. Amid an inflationary environment, a common thread is share prices of companies that demonstrate pricing power, like nVent, are receiving a bid.

Cohen & Steers (CNS) is an investment manager focused on real estate, preferred securities and listed infrastructure funds. Shares were down about 4% in October as rising interest rates continued to pressure underlying asset prices. The firm was founded by Martin Cohen and Bob Steers, who each still own large stakes in CNS. Not dissimilar from our own Value Income investment strategy focused on generating income with exposure to appreciating assets, CNS offers investment products that should appeal to aging populations seeking income that also offer diversification vis-à-vis bond markets. The company has a net cash balance sheet and pays the entirety of its cash earnings out to shareholders in regular (currently \$2.20 per year) and special dividends (ranging from \$1.00 to \$2.00 over the past 3 years). Since 2017, CNS has declared ~\$16 in dividends or one quarter of the current stock price, providing a strong head start for our total return. We avoid traditional bond proxies that have too much leverage and weak cash flow coverage. In CNS, we have a proven asset manager, with net cash on the balance sheet, that has shown consistency in growing its dividend over time while maintaining a high dividend payout ratio.

Portfolio Details

	APFWX	APDWX
Net Asset Value (NAV)	\$8.81	\$8.81
Inception	28 Feb 2022	28 Feb 2022
Expense Ratios (% Gross/Net)		
Semi-Annual Report 31 Mar 2022 ^{1,2,3}	80.50/1.19	32.61/1.07
Prospectus 26 Feb 2022 ^{2,3,4}	1.48/1.20	1.33/1.10

¹Unaudited, for the period from commencement of operations 28 Feb 2022 through 31 Mar 2022. ²Net expenses reflect a contractual expense limitation agreement in effect through 31 Jan 2024. ³See prospectus for further details. ⁴Includes estimated expenses for the current fiscal year.

Top 10 Holdings (% of total portfolio)

EOG Resources Inc (Energy)	3.6
Altria Group Inc (Consumer Staples)	3.4
Lamar Advertising Co (Real Estate)	3.2
Philip Morris International Inc (Consumer Staples)	3.2
Comcast Corp (Communication Services)	2.8
Cable One Inc (Communication Services)	2.6
nVent Electric PLC (Industrials)	2.6
STORE Capital Corp (Real Estate)	2.4
Medtronic PLC (Health Care)	2.3
Merck & Co Inc (Health Care)	2.3
TOTAL	28.5%

Source: Artisan Partners/GICS.

Sector Diversification (% of portfolio securities)

	Fund	S&P 500 ¹
Communication Services	7.4	7.5
Consumer Discretionary	5.6	10.9
Consumer Staples	14.9	6.9
Energy	5.1	5.4
Financials	22.9	11.4
Health Care	7.3	15.3
Industrials	13.5	8.3
Information Technology	6.2	26.3
Materials	0.0	2.5
Real Estate	9.3	2.6
Utilities	7.8	3.0
TOTAL	100.0%	100.0%

Source: Artisan Partners/GICS/S&P. Cash and cash equivalents represented 4.1% of the total portfolio. ¹S&P 500® Index.

Investment Results (%)

As of 31 October 2022	Average Annual Total Returns							
	MTD	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Inception
Investor Class: APFWX	8.10	8.10	—	—	—	—	—	-10.46
Advisor Class: APDWX	8.10	8.10	—	—	—	—	—	-10.40
S&P 500® Index	8.10	8.10	—	—	—	—	—	-10.53
Dow Jones US Select Dividend Index	10.33	10.33	—	—	—	—	—	-1.88

As of 30 September 2022

Investor Class: APFWX	-9.02	-7.06	—	—	—	—	—	-17.16
Advisor Class: APDWX	-9.00	-6.93	—	—	—	—	—	-17.11
S&P 500® Index	-9.21	-4.88	—	—	—	—	—	-17.23
Dow Jones US Select Dividend Index	-9.73	-7.71	—	—	—	—	—	-11.07

Source: Artisan Partners/S&P/S&P DJI. Returns for periods less than one year are not annualized.

Past performance does not guarantee and is not a reliable indicator of future results. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. The Fund's returns may vary greatly over shorter periods due to the limited operating period since inception. Call 800.344.1770 for current to most recent month-end performance.

Market Cap Distribution (% of portfolio securities)

\$ in billions	Fund	S&P 500 ¹
200.0+	10.6	42.5
140.0–200.0	3.3	10.0
90.0–140.0	10.8	10.3
60.0–90.0	14.0	9.3
30.0–60.0	7.6	15.3
15.0–30.0	14.2	8.7
5.0–15.0	24.8	3.8
0.0–5.0	10.1	0.0
Not Applicable	4.7	0.1
TOTAL	100.0%	100.0%

Source: Artisan Partners/S&P. ¹S&P 500[®] Index.

Team Leadership (Pictured left to right)



Portfolio Managers	Years of Investment Experience
Thomas A. Reynolds IV	23
Daniel L. Kane, CFA	24
Craig Inman, CFA	23

Carefully consider the Fund's investment objective, risks and charges and expenses. This and other important information is contained in the Fund's prospectus and summary prospectus, which can be obtained by calling 800.344.1770. Read carefully before investing.

Current and future portfolio holdings are subject to risk. The value of portfolio securities selected by the investment team may rise or fall in response to company, market, economic, political, regulatory or other news, at times greater than the market or benchmark index. A portfolio's environmental, social and governance ("ESG") considerations may limit the investment opportunities available and, as a result, the portfolio may forgo certain investment opportunities and underperform portfolios that do not consider ESG factors. Dividend payments are not guaranteed and the amount declared, if any, could vary over time. International investments involve special risks, including currency fluctuation, lower liquidity, different accounting methods and economic and political systems, and higher transaction costs. These risks typically are greater in emerging markets. Securities of small- and medium-sized companies tend to have a shorter history of operations, be more volatile and less liquid and may have underperformed securities of large companies during some periods. Value securities may underperform other asset types during a given period.

S&P 500[®] Index measures the performance of 500 US companies focused on the large-cap sector of the market. The Dow Jones US Select Dividend Index measures the performance of the US's leading stocks by dividend yield. The index(es) are unmanaged; include net reinvested dividends; do not reflect fees or expenses; and are not available for direct investment.

For the purpose of determining the Fund's holdings, securities of the same issuer are aggregated to determine the weight in the Fund. The discussion of portfolio holdings does not constitute a recommendation of any individual security. These holdings comprise the following percentages of the Fund's total net assets as of 31 Oct 2022: Air Lease Corp 1.2%; Camden Property Trust 1.2%; Cohen & Steers Inc 1.6%; H&R Block Inc 1.8%; Koninklijke Philips NV 0.8%; Moelis & Co 1.9%. Securities named in the Commentary, but not listed as a Top Ten Holding or not listed here are not held in the Fund as of the date of this report. The portfolio managers' views and portfolio holdings are subject to change and the Fund disclaims any obligation to advise investors of such changes.

Unless otherwise indicated, all information in this report includes all classes of shares, except performance and expense ratio information, and is as of the date shown in the upper right hand corner. Totals may not sum due to rounding.

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Sector exposure percentages reflect sector designations as currently classified by GICS.

Dividend Payout Ratio is the percentage of earnings paid to shareholders in dividends.

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